

INCOMING TELEGRAM

*Department of State*

32

~~OFFICIAL USE ONLY~~

Action

Classification

Control: 17801

Rec'd: January 30, 1959

1:06 p.m.

EUR

FROM: Bremen

Info

RMR

TO: Secretary of State

W

NO: 32, January 30, 10 a.m.

L

INR

H

SENT DEPARTMENT 32, BONN 25.

P

UOP

WMSC

E

REP

IRC

DCL

ICA

OCB

USIA

CIA

OSD

ARMY

NAVY

AIR

Large Bremen Coal Importer urges strong representations be made by United States increase duty free quota for imported coal. Says ground has been prepared by protest of our coastal laender governors Bremen, Hamburg, Schleswig-Holstein, and Lower Saxony; by power plants; shipowners; and coal importers. Feels US protests may still be effective. According to importer above eight million tons US coal have been actually sold ultimate consumers West Germany for 1959 and freight contracted. Recommends, execution these contracts under duty free quota be permitted.

Land Bremen official in charge coal problems estimates requirements coastal area at about seven million tons, of which six million United States. Hopes Bundestag decision may be postponed pending deliberation coal duty bill in Bundesrat.

Both importer and government official hold proposed duty will cause further shift in fuel consumption from coal to heavy fuel oil which can be imported for less than list prices provided under coal-oil cartel agreement. They feel unless duty introduced also on heavy fuel oil, proposed coal duty will not relieve coal mining industry.

LEWIS

MGG:SAH/7

~~OFFICIAL USE ONLY~~